

**The Division of Medical Assistance  
2007 Community Alternative Program for Persons  
with Mental Retardation Developmental Disabilities  
(CAP-MR/DD) Cost Report Training**

**Cost information submitted by providers helps  
to assure that the rate setting process is  
comprehensive and that rates are reasonable.**

**Due Date : September 30, 2007**

**Presented by: Mishawn Davis**

## **AGENDA**

- WELCOME AND INTRODUCTIONS**
- EXEMPTION CRITERIA**
- PROCESS OVERVIEW**
- GENERAL INFORMATION/INSTRUCTIONS**
- SPECIFIC SCHEDULES/LINE ITEM INSTRUCTIONS**
- APPENDICES**
- CONCLUSION-**
  - Submitting Your Cost Report**
  - Additional Information/Q&A**

# CAP-MR/DD Cost Report Process

- Cost Report History and Updates
- Rate Setting Components
- Cost Report Training and Materials

# LINE ITEM INSTRUCTIONS

- SCHEDULE "A" – Overall/General Information and Signature Certification
- SCHEDULE "A-1" – Facility Specific Information
- SCHEDULE "B" - Revenue
- SCHEDULE "C-1" – All Expense
- SCHEDULE "C-2" – Position/FTEs
- SCHEDULE "D" - Related Party Transactions

# Rate Setting Components

## 1. Allowable Costs

- Medicaid covered expenses.
  - *Examples are detailed on pages 10 and 11 of the line by line instructions. These include direct costs of providing care and allocation of medicaid eligible administrative costs.*
  - *Eligible for CAP codes T2021HQ, T2021, H2025HQ and H2025.*

## 2. CAP-MR/DD Service units and days

- Service units are the total units paid to the agency.
- To determine your rate divide your Allowable Expenses by Definition of Service for CAP-MR/DD by your Total Medicaid Units/Days provided.
  - *Example: Line 101 divided by Line 100*

# Rate Setting Components

## 3. Exclusions

- Most often found in the Administrative Medicaid Noncovered Services cost category.
  - ***Non-Allowable Expenses (pages 20 and 21 of the line by line instructions).***  
***Grey cells on the actual schedules, which indicates amounts not used in the rate calculations.***

## 4. Proposed Rates for each Service Definition

- Cumulative rate setting data from the cost reports is used to calculate a weighted average rate for each service definition and compare those to the current rates paid for CAP-MR/DD services.
  - ***This helps to assure ongoing reasonableness of rates.***

## 5. Approval Process

- All rate changes are presented to the DHHS Rate Review Board for approval prior to implementation.

# Cost Report and Training Materials

<http://www.dhhs.state.nc.us/dma/capmrcost/capmrcost.htm>

- [2007 CAP-MR/DD Cost Report](#)
- [Instruction Manual](#)
- [Appendices](#)
  - » [Appendix A - Letter to the Providers](#)
  - » [Appendix B - Exemption Form](#)
  - » [Appendix C - Training Registration Form](#)
  - » [Appendix D - Provider Qualifications](#)
- [Cost Report Survey](#)
- [Contact Information:](#)

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# **What is required by** **September 30, 2007:**

- 1. Schedule A with original signatures**
- 2. Schedule A-1**
- 3. Schedule B**
- 4. Schedule C-1**
- 5. Schedule C-2**
- 6. Schedule D**
- 7. Financial Statements- audited or unaudited**



# SUBMITTING YOUR COST REPORT

- DMA must receive an accurate and complete cost report by **September 30, 2007**. This includes all schedules, Schedule A with original signatures and Financial Statements which reconcile to the cost report. Providers not submitting the cost report to DMA by this date, shall be assessed a **twenty percent (20%)** penalty against future payments until the agency submits the required cost report.
- Contact Information:  
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Are there any questions?

Thank you for attending the  
**2007CAP-MR/DD Cost Report**  
Training Class.

Have a Great Day!